

**MINUTES
REGULAR MEETING
UTILITY SERVICE BOARD
MAY 21, 2012**

The Regular Meeting of the Utility Service Board of the City of Jasper, Indiana, was held in the Council Chambers of City Hall in Jasper at 7:00 PM on Monday, May 21, 2012.

The meeting was called to order by Chairman Wayne Schuetter.

UPON CALL OF THE ROLL, THE FOLLOWING WERE PRESENT:

Wayne Schuetter – Chairman
Rick Stradtner – Vice Chairman
Mike Harder – Secretary
Doug Schulte – Water Commissioner
Greg A. Krodel – Gas Commissioner
Ken Sendelweck – Electric Commissioner

ALSO PRESENT:

Jerry Schitter – Electric Distribution Manager
Windell Toby – Electric Generation Manager
Mike Oeding – Gas & Water Manager
Ed Hollinden – Wastewater Manager
Bud Hauersperger – General Manager
Ashley Kiefer – Office Manager
Bill Shaneyfelt – City Attorney

ABSENT:

Alex Emmons – Wastewater Commissioner

PLEDGE OF ALLEGIANCE (DVD-01:04)

Luke Farley, a Boy Scout, led the Pledge of Allegiance.

QUOTE OPENING: AERIAL BUCKET TRUCK- ELECTRIC DISTRIBUTION (DVD-01:27)

Bud Hauersperger opened the quotes and read them aloud as follows:

1. Terex Utilities	\$247,860.00
Watertown, SD	<u>- 8,000.00</u> trade-in
	\$239,860.00

The quote included a signed non-collusion affidavit.

2. Sternberg Automotive	\$245,951.52
Jasper, IN	- 5,000.00 trade-in
	\$240,951.52

The quote included a signed non-collusion affidavit.

3. Altec Industries Inc.	\$233,829.00
Indianapolis, IN	- 4,000.00 trade-in
	\$229,829.00

The quote included a signed non-collusion affidavit.

Rick Stradtner made a motion to take the quotes under advisement. Ken Sendelweck seconded the motion. Motion approved, 6-0.

QUOTE OPENING: LOADER BACKHOE – GAS & WATER (DVD-5:57)

Bud Hauersperger opened the quotes and read them aloud as follows:

1. Whayne Supply	\$100,843.39
Evansville, IN	- 66,500.00 trade-in
	\$ 34,343.39

The quote included a signed non-collusion affidavit.

2. Hopf Equipment	\$ 85,938.00
Huntingburg, IN	- 76,279.00 trade-in
	\$ 9,659.00

The quote included a signed non-collusion affidavit.

3. ERB Equipment	Quote #1	\$ 75,450.00
Evansville, IN		- 66,000.00 trade-in
		\$ 9,450.00

Quote #2	\$ 84,650.00
	- 66,000.00 trade-in
	\$ 18,650.00

The quotes included a signed non-collusion affidavit.

Greg Krodel made a motion to take the quotes under advisement. Doug Schulte seconded the motion. Motion approved 6-0.

QUOTE OPENING: UTILITY VEHICLE – GAS & WATER (DVD-09:43)

Mike Oeding stated that three requests for proposals were sent out. Charlie's Honda and Obermeyer Yamaha did not respond. Hauersperger opened the quote and read it aloud as follows:

1. Hopf Outdoor Power	\$15,200.00
Jasper, IN	- 2,200.00 trade-in
	\$13,000.00

The quote included a signed non-collusion affidavit.

Mike Oeding asked for permission to purchase the utility vehicle, if it meets specifications. Doug Schulte made a motion to approve the purchase of the utility vehicle for \$13,000 from Hopf Outdoor Power if it meets specifications. Rick Stradtner seconded the motion. Motion approved 6-0.

APPROVAL OF MINUTES (DVD-11:20)

Chairman Wayne Schuetter presented the minutes of the April 16, 2012 Regular Meeting and there being no corrections or amendments, asked for a motion to approve the minutes. Ken Sendelweck made a motion to approve the minutes of the April meeting as presented. Doug Schulte seconded the motion. Motion approved, 6-0.

RESULTS FROM BREAKER REPLACEMENT & REMOTE RACKING SYSTEM QUOTE OPENING (DVD-11:56)

Jerry Schitter stated that at April's USB meeting they bid a Central Tie Substation breaker replacement and remote racking system for the Central substation. The quote for the breakers did come in under the estimated capital expenditure by \$7,000.00 and the remote racking system by \$1,300. The low bid did meet specifications. Completion date of project is approximately October.

Mike Harder made a motion to approve the low quote from ABB, Inc. for the breaker replacement and remote racking system for the Central substation for \$174,905. The motion was seconded by Rick Stradtner. Motion approved, 6-0.

JASPER CLEAN ENERGY MONTHLY REPORT (DVD-13:27) (Rick Stradtner left meeting at 7:14PM)

Bud Hauersperger explained the Jasper Clean Energy monthly report for April to the Board. The Jasper Clean Energy Center anticipates repositioning the Biomass Processing Building, due to the acquisition of the Heidorn Property. This will make the center more functional and keep some of the equipment away from the river walk.

The EPA has released its proposed CO2 emissions regulations. The Jasper Clean Energy Center will satisfy the current requirements as proposed when burning natural gas and/or biomass as fuel.

(Rick Stradtner returned to the meeting at 7:16PM)

Efforts continue to hold meetings with potential power purchase candidates. Jasper Clean Energy provided follow up information to proposals made to utilities during the month of March for the sale of both long term and intermediate generating capacity and energy.

The Huntingburg Miscanthus Test Plot was “infield planted” during the 3rd week of April with Miscanthus plant plugs. This will provide added information as to the establishment performance of Miscanthus in the region.

Jasper Clean Energy also states that they wish to commence discussions on formalizing the lease from the City of its recently acquired Heidorn Property adjacent to the Jasper Clean Energy Center.

Hauersperger informed the Board that the Electric Committee would be meeting within the next month regarding the leasing of the Heidorn property. The purchase of the property was to utilize it in a more efficient manner with relation to the power plant project.

Windell Toby informed the Board that there will be a capacity test at the power plant sometime in June.

ELECTRIC PLANNING COMMITTEE REPORT (DVD-19:15)

Ken Sendelweck, Chairman of the Electric Planning Committee, stated the committee did not meet during the past month.

ANR PIPELINE CONTRACT AMENDMENT (DVD-19:21)

Mike Oeding informed the Board that he received an amendment to the contract with ANR pipeline from Ron Ragan. The amendment clarified language of terms within the contract. Bill Shaneyfelt, City Attorney, reviewed the contract.

Greg Krodel made a motion to approve the amendment which clarified language within the ANR pipeline contract. Mike Harder seconded the motion. Motion approved 6-0.

APPROVE CONTRACT WITH MIDWESTERN ENGINEERS FOR NORTH WATER TOWER PROJECT ADMINISTRATION (DVD-20:22)

Mike Oeding informed the Board the contract with Midwestern Engineers has been reviewed by Shaneyfelt. Only part of the contract agreement was accepted during the April USB meeting. Oeding would like the Board to approve the second part of the contract, which is the inspection part of the North Water Tower project, Phase 2, for a not to exceed amount of \$11,983.48.

Doug Schulte made a motion to approve the second part of the contract with Midwestern Engineers for the North Water Tower Project Administration for a not to exceed amount of \$11,983.48. The motion was seconded by Greg Krodel. Motion approved, 6-0.

BEAVER LAKE INTAKE TOWER (DVD-23:08)

Oeding explained to the Board that the intake tower at Beaver Lake has been plugged and the lake has been sealed. The lake is now ready to be filled with rain water.

GAS PLANNING COMMITTEE REPORT (DVD-23:41)

Greg Krodel, Chairman of the Gas Planning Committee, stated the committee did not meet during the past month.

WATER PLANNING COMMITTEE REPORT (DVD-23:46)

Doug Schulte, Chairman of the Water Planning Committee, stated the committee did not meet during the past month.

PAYMENT REQUEST FROM INFRASTRUCTURE SYSTEMS, INC. (DVD-23:52)

Ed Hollinden presented a payment request on behalf of Infrastructure Systems, Inc. for the Northside Sewer Project in the amount of \$432,529.78. This is the first payment request and over half of the total cost of the project. They are half done with the scope of the entire project. All the open cut and lining are complete, and 15 out of 144 homes are finished. July 14th is the estimated substantial completion date.

Rick Stradtner made a motion to approve the 1st payment request for Infrastructure Systems, Inc. for the Northside Sewer Project in the amount of \$432,529.78. Mike Harder seconded the motion. Motion approved, 6-0.

PERMISSION TO REPLACE THE PLANT MAINTENANCE CHIEF (DVD-26:30)

Hollinden informed the Board that Steve Schmitz, Chief of Maintenance, is retiring after 39 years. Hollinden asked the Board for permission to replace the Plant Maintenance Chief position.

Ken Sendelweck made a motion to approve the replacement of the plant maintenance chief. Mike Harder seconded the motion. Motion approved, 6-0.

Wayne Schuetter asked Hollinden to thank Steve Schmitz on behalf of the Board.

EMERGENCY ROOF REPAIR (DVD-27:24)

Hollinden explained to the Board that two thirds of the roof on the west side of the maintenance building is bad and needs to be repaired immediately. Hollinden had two contractors give quotes. Fleck Roofing had the low quote of \$6,450. Only the roof on the west side of the building will need to be replaced.

Greg Krodel made a motion to give Hollinden permission to hire Fleck Roofing to repair the west side of the maintenance building roof in the amount of \$6,450. Doug Schulte seconded the motion. Motion approved, 6-0.

WASTEWATER PLANNING COMMITTEE REPORT (DVD-29:01)

Wayne Schuetter, Chairman of the Board, stated that the committee did not meet during the past month.

UPDATE ON TRANSLATION OF NEW CUSTOMER PACKET (DVD-29:08)

Ashley Kiefer informed the Board that the new customer packets are in the process of being translated to Spanish to accommodate our Spanish speaking customers. There are two separate Word documents to the packet that are being changed. One part is the customer application and deposit policy and the other is the utility rules, regulations, and non-recurring charges. The cost for the translation is \$250. The project should be completed within the next week.

PAYMENT REQUEST FROM FORCE CONSTRUCTION (DVD-30:40)

Bud Hauersperger presented a payment request on behalf of Force Construction for \$794,183.50 for the Beaver Lake Dam Rehabilitation Project. This is the eighth payment towards the project. This payment covers the month of April, which is mostly concrete work. The project is 90% complete and the estimated substantial completion date is June 1st.

Mike Harder made a motion to approve the Contractor's Application for Payment #8 to Force Construction in the amount of \$794,183.50. The motion was seconded by Doug Schulte. Motion approved, 6-0.

PERMISSION TO REPLACE METER READER (DVD-33:00)

Hauersperger informed the Board that Mel Oeding, our present meter reader, is retiring at the end of July. Hauersperger asked for permission to replace Oeding and change the job title from Meter Reader to Meter Technician. The new replacement for the position will be qualified to troubleshoot and replace the electronic portion of meters, in addition to the meter reading functions. The salary range will be kept the same at this time.

Ken Sendelweck made a motion to give Hauersperger permission to hire a new meter reader and to replace the Meter Reader position under the new job description of Meter Technician. The motion was seconded by Doug Schulte. Motion approved, 6-0.

APPROVAL TO PURCHASE WI-FI ANTENNA FOR RIVERWALK AREA (DVD-36:25)

Hauersperger informed the Board that the Electric Utility department receives annual payments for pole attachment agreements. Therefore, they would like permission to purchase a Wi-Fi antenna for the Riverwalk area for a community service project. This would be a one-time cost not to exceed \$2,400. The monthly and annual Wi-Fi charges will be paid for by the Park and Recreation department.

Ken Sendelweck made a motion to give the Electric department permission to purchase the Wi-Fi antenna for the Riverwalk area for a not to exceed amount of \$2,400. The motion was seconded by Greg Krodel. Motion approved, 6-0.

WASTEWATER RATE STUDY (41:40)

Hauersperger reminded the Board that every two years there is a Wastewater rate study completed. Hauersperger will be working on quotes for the rate study and will report back next month.

**WATER BOND REFINANCING UPDATE – RESOLUTION RECOMMENDING
ADOPTION OF ORDINANCE AUTHORIZING ISSUANCE OF WATERWORKS
REVENUE REFUNDING BONDS (DVD-42:04)**

Hauersperger informed the Board about the recent activity regarding the water bond refinancing. Umbaugh and Bingham, Greenebaum, Doll are compiling all the information needed to refinance the water bond for the water plant. They have created an Ordinance that will need to be approved by the Common Council.

Bill Shaneyfelt prepared Resolution No. USB 2012-6 which states, the significant savings that could be obtained by refinancing the water bond for the water department and the water utility customers and recommends the Common Council adopt the Ordinance authorizing the issuance of the Waterworks Revenue Refunding bonds. The annual savings per year will be approximately \$100,000 in interest after refinancing the bond. The maximum refunded amount will be \$8,120,000. The interest rate was 3.5% and will be lowered to approximately 2.65%.

Doug Schulte made a motion to approve Resolution USB 2012-6. The motion was seconded by Mike Harder. Motion approved, 6-0.

FINANCE COMMITTEE REPORT (DVD-47:00)

Mike Harder reported the Finance Committee had met and reviewed the claims on the Claim Docket.

The Finance Committee recommended approval of the claims as presented.

Rick Stradtner made a motion to approve the claims as presented. Greg Krodel seconded the motion. Motion approved, 6-0.

NEW LAW REGARDING SMOKING PROHIBITIONS (DVD-47:25)

Shaneyfelt informed the Board that the Legislature adopted a new law effective July 1, 2012 that prohibits smoking in public buildings, which includes municipal utility buildings. This law also requires specific signage that can be visibly seen from the entrance. Shaneyfelt advises to get all signs the same throughout the City. The discussion was tabled until next month's meeting.

**RESOLUTION RECOMMENDING AMENDMENT TO THE EMPLOYEE BOND
SCHEDULE (DVD-53:40)**

Shaneyfelt presented to the Board Resolution No.USB 2012-7, which recommends an amendment of the employee bond schedule. The Utility Office has previously eliminated the position of Billings Services Supervisor and added two new positions, namely Billing Clerk and Business Office Assistant. This Resolution recommends bonding of the two new positions.

Doug Schulte made a motion to approve Resolution USB 2012-7 and to recommend that the Common Council amend the Ordinance regarding bonding of City Officials and employees. The motion was seconded by Rick Stradtner. Motion approved, 6-0.

There being no further business to come before the Board, the meeting was adjourned at 7:56PM upon motion by Mike Harder and second by Rick Stradtner. Motion approved, 6-0.

The minutes were hereby approved X with _____ without corrections this _____ day of _____, 2012.

Attest: _____
Secretary Chairman